



General Assembly

January Session, 2007

Committee Bill No. 931

LCO No. 5596

05596SB00931LAB

Referred to Committee on Labor and Public Employees

Introduced by:
(LAB)

**AN ACT CONCERNING PENALTIES FOR CONCEALING
EMPLOYMENT OR OTHER INFORMATION RELATED TO WORKERS'
COMPENSATION PREMIUMS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (g) of section 31-288 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2007*):

4 (g) Any employer who, with the intent to injure, defraud or deceive
5 any insurance company insuring the liability of such employer under
6 this chapter, (1) knowingly misrepresents one or more employees as
7 independent contractors, or (2) knowingly provides false, incomplete
8 or misleading information to such company concerning the number of
9 employees, for the purpose of paying a lower premium on a policy
10 obtained from such company, shall be guilty of a class D felony and
11 shall be subject to a stop work order from the commissioner. The
12 commissioner may issue a stop work order to such employer pursuant
13 to this subsection.

14 Sec. 2. Subsection (a) of section 31-69a of the general statutes is

15 repealed and the following is substituted in lieu thereof (*Effective*
 16 *October 1, 2007*):

17 (a) In addition to the penalties provided in this chapter and chapter
 18 568, any employer, officer, agent or other person who violates any
 19 provision of this chapter or subsection (g) of section 31-288, as
 20 amended by this act, shall be liable to the Labor Department for a civil
 21 penalty of three hundred dollars for each violation of said chapters
 22 and for each violation of subsection (g) of section 31-288, as amended
 23 by this act, except that any person who violates a stop work order
 24 issued pursuant to subsection (g) of section 31-288, as amended by this
 25 act, shall be liable to the Labor Department for a civil penalty of one
 26 thousand dollars and each day of such violation shall constitute a
 27 separate offense.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2007</i>	31-288(g)
Sec. 2	<i>October 1, 2007</i>	31-69a(a)

Statement of Purpose:

To provide that employers who misrepresent the number or type of employees for purposes of paying a lower premium for workers' compensation insurance may be issued a stop work order and required to pay one thousand dollars per day for violation of the stop work order.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: SEN. CAPPIELLO, 24th Dist.; REP. HETHERINGTON, 125th Dist.
 REP. STRIPP, 135th Dist.; REP. WITKOS, 17th Dist.
 REP. O'NEILL, 69th Dist.; REP. KALINOWSKI, 100th Dist.
 REP. ADINOLFI, 103rd Dist.; REP. BURNS, 77th Dist.
 REP. MILLER, 122nd Dist.; REP. FERRARI, 62nd Dist.

S.B. 931

H.B. 5064